



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION VIII

999 18th STREET - SUITE 500
DENVER, COLORADO 80202-2466

MAR 24 1992

Ref: 8HWM-FF

Mr. Frazer Lockhart
U.S. Department of Energy
Rocky Flats Office
P.O. Box 928
Golden, Colorado 80402-0928

Dear Mr. Lockhart:

We are forwarding this letter to express our deep concern regarding the status of several projects required pursuant to the Interagency Agreement (IAG). We request that DOE recognize and resolve the apparent underlying problems responsible for the present status of the jeopardized projects, detailed herein.

During the Project Managers monthly meeting held March 10, 1992, it was stated by the EG&G representative and confirmed by DOE that contracts had not been let to initiate development of RFI/RI Workplans for Operable Units 12, 13, 14, and 15. These workplans are due in draft form in May and early June, 1992. It was further stated that the contract initiating documents were sent to the EG&G procurement staff three to four months ago but have not received priority attention. Although procurement problems have previously resulted in formal disputes among the parties of the IAG, the EG&G procurement problems appear to remain and have the potential to severely jeopardize compliance with enforceable IAG requirements associated with Operable Units 12, 13, 14 and 15.

To compound the procurement problems, which appear to be associated with either an inappropriate management structure or a simple lack of attention within DOE and EG&G, it was further stated during the managers meeting that present procurement policy does not allow the contractor who develops a workplan to implement the workplan due to the potential for a conflict of interest. Given the extensive review of all documents developed by contractors, EPA and CDH believe it is unduly conservative to presume that a conflict of interest may arise merely because the same contractor who develops a workplan implements the work defined within the approved workplan. In fact, we believe that a single contractor responsible for performing all aspects of work for individual operable units may be effective from both a cost and logistical perspective.

EG&G also stated that contract laboratory analytical results are late and jeopardize the submittal of timely hazardous waste determinations and adequate RFI/RI Reports for both Operable

Units 1 and 2. Further, there is a future potential for laboratory performance to jeopardize all IAG commitments. EPA and CDH are concerned that procurement policy is also impacting laboratory performance in that either the administration of the contracts governing completion of analytical work may be inadequate or that the contracts themselves might have been ill-conceived. Who is responsible for the timely completion of analytical work? Are the analytical services contracts managed by EG&G or by the subcontractor? We believe the most efficient mechanism to insure analytical performance may be to require the contractors performing the field work and generating the RFI/RI Reports to be responsible for arranging and ensuring timely and appropriate analytical services.

If procurement policy does not allow environmental restoration work to proceed efficiently, it must be revisited and modified. EPA and CDH believe that the management of procurement functions and the development, implementation and evaluation of procurement policy is entirely within DOE's control. Neither inadequate performance of procurement function or poor contract administration constitute good cause for schedule extensions. In addition, EPA and CDH believe that the submittal of inadequate documents in order to meet IAG schedule milestones is a violation of the IAG.

It appears procurement policy is unnecessarily burdening the procurement staff, the environmental restoration program and the IAG schedules and in fact has probably increased all costs associated with the cleanup program at Rocky Flats. We feel DOE must address this issue as it may have significant impact on DOE's ability to comply with the IAG. If you should have any further questions please contact Gary Baughman at (303) 331-4847 or Martin Hestmark at (303) 294-1134.

Sincerely,

Martin Hestmark

Martin Hestmark, Manager
Rocky Flats Project
U.S. EPA

Gary W. Baughman

Gary Baughman, Unit Leader
Hazardous Waste Facilities
Colorado Department of Health

cc: David Simonson, DOE
James Hartman, DOE